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ABSTRACT

This report, the first in a series, presents the findings of a 1984 survey to identify the characteristics and problems of the Twin Cities (Minnesota) area's poorest families. Nine hundred and sixty-six low-income households, representing the poorest 20 percent of the population, were interviewed by telephone or in person. At the same time that this survey was taken, a parallel survey was taken of the general population, thus allowing comparisons between the two groups. Highlights of the findings include the following: (1) at least five different types of low-income households were identified; (2) low-income people resemble the general population in that they span all ages, are mostly white, but they are slightly more likely to be female than the general population; (3) low-income people differ from the general population in that they are more likely to be under age 25 or over age 65, less likely to have graduated from high school, and much more likely to be single and living alone or single and living with children; and (4) the biggest problems facing low-income people stem from inability to pay for adequate housing, utilities, basic necessities, and medical care. Statistical data are included on three graphs and one table. (Author/FMW)

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Profiles of the Twin Cities Poor

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January, 1987

An Overview: the Twin Cities Poor and Their Problems

Highlights

This report series presents information gathered in a 1984 survey of 966 households in the Twin Cities area. These households represent the poorest 20 percent of all households in the Twin Cities area.

Low income households can be described in many ways. There are at least five types of low income households: those with one or more persons age 65 or over, having a disabled person in the household, single parent families, those with one or more workers disconnected from regular full-time employment, and other/unclassified. Work disconnection pervasively contributes to the plight of all household types.

Low income people are like those in the general population in many ways. They span all ages, are mostly white, and are slightly more likely to be female than the general population.

Besides having significantly lower incomes, however, the poor are also different from the general population in other ways. They are more likely to be under age 25 or over age 65. A much smaller percentage have graduated from high school. A much higher percentage are single and living alone or single and living with children.

Not surprisingly, the biggest problems facing poor people stem from lack of money.

- **Nearly one-quarter have problems finding affordable, adequate housing.**
- **One-third have had trouble paying for utilities.**
- **Three out of 10 say they worry about paying for basic necessities often or all the time.**
- **Fifteen percent have gone without needed medical care for lack of money.**

Introduction

This report is the first in a series describing the Twin Cities poor. It is based on a survey of low income respondents interviewed in the Fall of 1984. Additional questions were asked of this same group in 1985. This overview is presented to describe the various characteristics of this poorest 20% of the Twin Cities population and to show the most pressing problems which they face. At the same time this survey was taken, a parallel survey was taken of the general population allowing comparisions between the two groups.

Households may be poor for many reasons. Figure 1 presents one picture of the diversity of the Twin Cities low income population. One-third of the low income population is age 65 or older. The remaining two-thirds have other characteristics: those with a disabled person in the household, families headed by a single parent, those who have some disconnection from regular full-time employment, and others.

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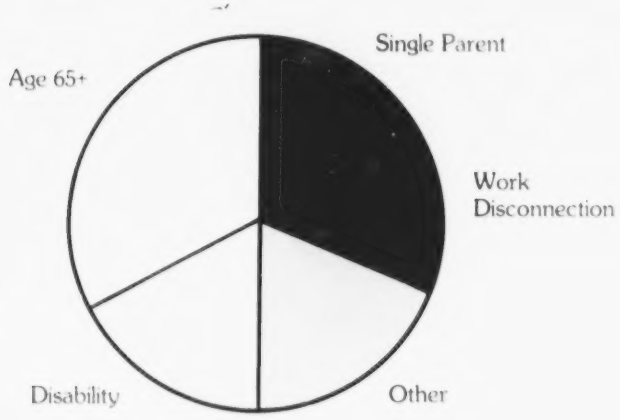
FIGURE 1

Types of Low Income Households



Age 65+. In one third of the households, the person interviewed was age 65 or older. Of these households, in more than 7 out of 10, no one is employed on a regular, full time basis. The actual figure is probably much higher, but we are restricted by the measurement of "work disconnection" presented below. One out of three of these households contains a member with a mental disability.

Disability. In addition to households with disabled elderly, 18% of the Twin Cities low income households contain a disabled person. "Disability" here means a physical or mental handicap, alcohol abuse, or drug abuse. Lack of regular full-time employment is a problem for at least 4 out of 10 of these households. Over one in five of the "disability" households are headed by a single parent.

Single Parent. Besides the disabled single parent households, an additional 13 percent of the low income households in the Twin Cities are headed by a non-disabled single parent. Single parent households are in economic jeopardy partly because they have only one wage earner and often because this remaining parent previously had not been the major breadwinner for the family. Three out of every four single parent households have some kind of work disconnection — i.e. something less than regular full-time employment.

Work Disconnection. Other than the elderly, the disabled or single parent households with work disconnections, another 18% of the low income households have some disconnection from regular full-time work. "Work disconnection" includes those households where income "varies a lot" because of someone's employment situation, firings or layoffs, or less than full employment. Because survey questions about work status, including present employment and past firings or layoffs, were asked only of the respondent and not about everyone in the household, only households with one adult could be catagorized on this last attribute. The actual percentage of households with one or more work disconnections may be much larger.

Other. The remaining 19% of low income households are equally divided between families with children and people without children. Those without children tend to be young: 50% are age 25 or under. The families with children tend to be older, with only one in three being age 25 or younger.

Demographic Characteristics

Although in many ways the low income population in the Twin Cities is very similar to the rest of the population there are some major differences. Low income people are like those in the general population in that they span all ages, are mostly white, and are slightly more likely to be female than the general population. Besides having significantly lower incomes, however, the poor are also different from the general population in other ways.

FIGURE 2

Employment

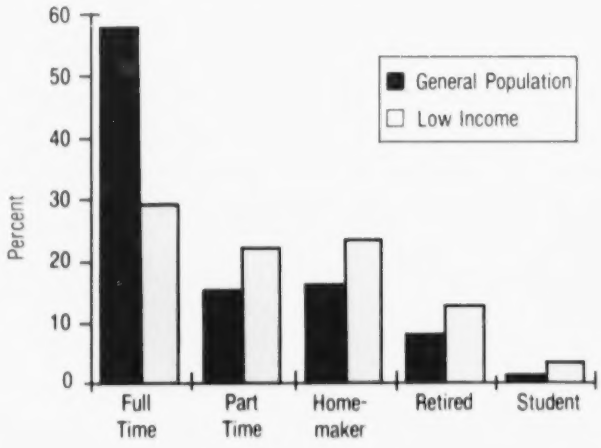
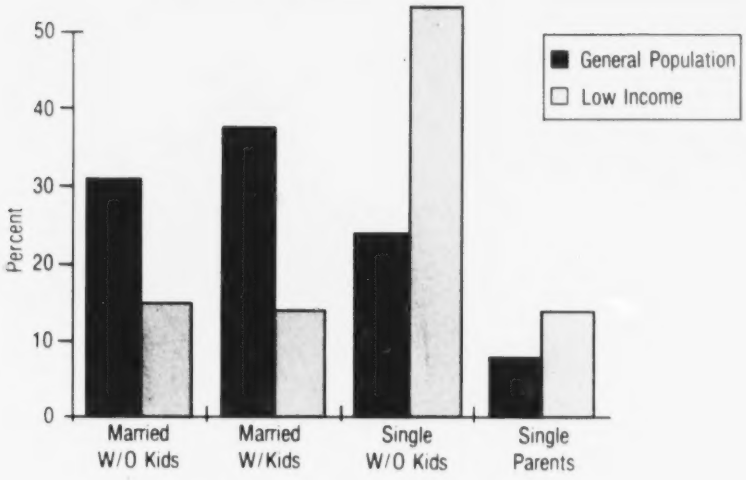


FIGURE 3

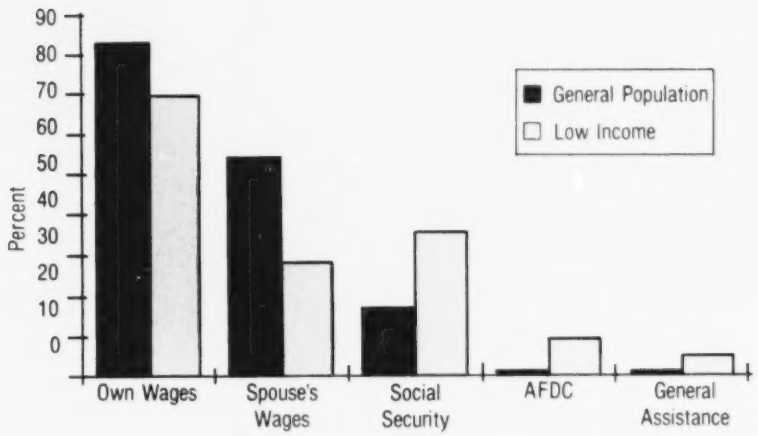
Household Composition



- INCOME: Median income for low income households in 1983 was $8,600, compared to $26,900 for the general population.
- AGE: Low income individuals are most likely to be either very young or very old (under 25 or over 65). The Low Income Survey found 23% of the adult respondents to be under age 25, while 28% were over the age of 65. In the general population, 11% of adults were under the age of 25, while 12% were over age 65.
- GENDER: Females are more likely than males to be low income in the Twin Cities metropolitan area. Fifty-eight percent of the low income respondents were females, compared to 52% in the general population.
- EDUCATION: Low income people have lower levels of education than the general population. Sixty-four percent of the low income respondents had graduated from high school, compared to 91% of the general population.
- LOCATION: 65% of the low income households lived in the central cities, although 35% lived in suburban or rural areas. In the general population, 35% lived in the central cities and 65% lived in suburban or rural areas.
- HOUSING: Low income households were more likely to rent than own their homes. Thirty-six percent of the low income households owned their own homes, as compared to 74% of the general population. Those living in Minneapolis and St. Paul were even less likely to own their own homes than those who lived in other parts of the metropolitan area.
- EMPLOYMENT: Twenty-six percent of the low income sample worked full time, and 21% worked part-time. Of those who did not have a paying job, 29% were homemakers, 15% were retired, 3% were students, 6% were unemployed and 2% were temporarily not working. In contrast, 57% of the general population worked full time and 14% worked part-time. Of the remaining respondents, 9% were retired, 17% were homemakers, 3% were unemployed, and 1% were temporarily not working (see Figure 2).
- MARITAL STATUS: Forty percent of the low income respondents were married at the time of the survey, compared to 69% of the general population. One third of the low income households and 45% of the general population households had children under the age of 18 living with them. One-quarter of the low income sample and 18% of the general population sample said they had been divorced at some time.
- HOUSEHOLD COMPOSITION: Fifteen percent of the low income households consisted of married couples with children living with them in the home. Sixteen percent of the households were married couples with no children, 54% were single persons without children and 15% were single parents. In the general population, 38% were married couples with children, 31% of the households consisted of married couples with no children, 24% were single persons with no children and 8% were single parent families. (See Figure 3).
- RACE: A disproportionate number of non-white persons is low income. Eighteen percent of the low income households were non-white, compared to 8% of the general population.
- PUBLIC ASSISTANCE: Persons in the low income sample were less likely to receive income from their own or their spouse's wages, and more likely to rely on government programs than the general population. Twice as many low income persons received income from Social Security. Nine times as many persons received financial assistance from AFDC, and five times as many low income persons received help from General Assistance than the general population. Any household could have more than one source of income. (See Figure 4).

FIGURE 4

Sources of Household Income



Problems Faced by Low Income People

Low Income households were more likely to have problems obtaining the basic necessities due to lack of money than the general population. Their shortages occured in all these major areas: housing, human services, employment, health, and crime.

Housing

- One-third of the low income respondents reported spending over 30% of their household income on housing. Renters and people with children in their household were most likely to spend a high percentage of their income for housing.
- One-fourth of the low income people were sharing housing with someone else because they had to in order to afford it.
- One out of three persons reported having to go without other necessities in order to pay their housing costs.
- Twenty-three percent of low income people reported having problems finding adequate housing they could afford.
- One-third of the respondents reported having trouble finding money for basic utilities such as heat and electricity in the past year.
- Twenty-one percent of the respondents reported that their landlords do not fix things that need repair in the housing unit.

Human Services

- Slightly over one-quarter said their standard of living was worse than it was one year ago.
- Three out of ten persons said they worry about paying for basic necessities often or all the time.
- Over one-third of the people who were interviewed had used food assistance programs in the past year.
- About one out of six persons interviewed reported having received food stamps in the past year.
- One out of ten said they had used a food shelf or asked friends or relatives to help them get the food they needed in the past year.
- Many people reported using more than one food program to get enough food for their household.

Employment

- One-third of those who were not retired and were employed were looking for more work.
- Those who were most likely to be unemployed and looking for work were people between the ages of 25 and 38, single parents, and those with moderate educational levels (high school graduates and those with some college education).
- About one-fifth of the households had someone between the ages of 16 and 21 who was looking for work. In almost half of these households, the young person was looking for full-time work. Youths living outside Minneapolis and St. Paul were more likely to find work than those living in these two cities.

Health

- One-quarter of the low income people interviewed described their health as fair or poor.
- Twenty percent of the low income people did not have health care coverage or health insurance.
- One out of five families reported having gone without needed dental care, while 15% said they had done without needed medical care because of lack of money.

Methodology

Nine hundred sixty-six low income households were interviewed by telephone or in person. Over 6,400 households across the Twin Cities seven-county metropolitan area were contacted to search for those which fell below a given income threshold.

The upper limit of income varied from $10,000 for a one-person household to $20,000 for households with six or more people (Table 1).

TABLE 1

Upper Income Limits for Low Income Population
1983 Income

Size of Household	MN Official Poverty Line	Upper Income Limit
1	$4,860	$10,000
2	6,540	$13,000
3	8,220	$15,000
4	9,900	$17,000
5	11,580	$18,000
6+	13,260	$20,000

These limits are based on a large public opinion poll* asking people what incomes they associated with various levels of income, in this case "near poverty". The limits have been adjusted upward about 10%, then rounded down to the nearest whole $1,000 to reflect a higher cost of living in the Twin Cities over Boston, where the survey was taken. The upper limit for a family of 4 is equal to the Bureau of Labor statistics income of a "lower budget" family, based on the purchasing power of a marketbasket of goods and services.** Table 1 shows that the limit is about twice the official poverty line. The group included therefore includes moderate income households, not just the very poor. These households represent the lowest 20% of the Twin Cities households by income level.

The households that were contacted were selected at random and diligently called up to ten times on different days of the week and at different times until someone was reached. This assured that the sample included even hard to reach people. Field staff were dispatched to speak to those without phones. After contact and application of the income screen, random methods were used to determine which adult in the household to interview. This was done as a further check to remove sample bias.

In 1985, vigorous attempts were made to recontact these households in order to ask additional questions, primarily about health status and insurance coverage. Only 523 of the original 974 households could be located. These results may therefore be biased towards the more stable portions of the low income population; those who are older, and those who have higher incomes.

In both 1984 and 1985, parallel surveys were conducted of 1000 households in the metropolitan area covering all income levels. Results are available to compare with the Low Income Survey.

* Steven Dubnoff, "How Much Income is Enough? Measuring Public Judgments," Center for Survey Research, Universiyt of Mass, Boston, MA, 1984.

** Bureau of Labor Statistics "Autumn 1980 Urban Family Budgets and Comparative Index for Selected Urban Areas" USDL 81-19, April 22, 1981. These figures were adjusted upward by the consumer price index for 1983. Total Twin Cities budgets are nearly identical to national figures.

Health Continued

- Only 45% of the insurance coverage included pregnancy care.
- Cost was the major reason for not having health insurance coverage.
- Almost one-quarter of the low income respondents had not received health care in the past year.
- Sixteen percent of the people who had received health care in the past year reported having problems paying for that care.

Crime

- Seventeen percent of the people (nearly one in five) said that they were personally the victim of a crime in the past year.

Future Reports

The goal of the Low Income survey was to assess the daily needs of the poor and lower income people so as to provide guidance to public and private organizations that address these needs. Towards this end, a series of reports are forthcoming summarizing the findings on the following issues:

- Single Parent Families
- AFDC Households
- Housing Issues
- Emergency Needs/Human Service "Problems"
- Children of the Poor
- Working Poor

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